Reducing dependence. Supporting communities.

Report on the review and reform of Income Assistance and Economic Development.

June 2016

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Building *Nunavut* Together
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Department of Family Services
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Department of Economic Development and Transportation

Message from the Ministers

We are pleased to present this Report on the review and reform of Income Assistance.

In *Sivumut Abluqta*, our Government committed to reform Income Assistance *"to ensure that those who truly need the support receive it, while also investing in economic development to secure a prosperous future for all."* In response, our Departments travelled across the territory to hear from Nunavummiut about what works and what needs to change, and to help build a new approach to Income Assistance.

Nunavummiut were clear that we can improve the current system. Many envisioned a program that provides better support, is easier to understand, and encourages work, skill building, and traditional livelihoods. Crucially, we heard that a strong Income Assistance system depends on economic opportunities that all Nunavummiut can share in.

The Nunavut Roundtable for Poverty Reduction Gathering in December 2015 reinforced what we heard from communities. Members saw a need for fundamental change in the principles that guide Income Assistance – a shift towards *Inunnguiniq*, the making of capable and contributing human beings; *Pilimmaksarniq*, the development of skills through observation, mentoring, practice and effort; and *Pijitsirniq*, serving and providing for the community.

This report builds on what we heard to propose ways to improve Income Assistance – towards a simpler, more effective system consistent with *Inunnguiniq, Pilimmaksarniq* and *Pijitsirniq*. With the 20 proposed reforms we outline in the following pages, Nunavummiut will be able to expect an Income Assistance system that is more focused on their strengths and goals. Those that need help will receive it, and there will be stronger supports to help Nunavummiut build their skills, start a company, or work in the wage economy or through traditional livelihoods.

We use the term 'proposed reforms' deliberately. Our goal is to present a set of clear, tangible steps for how we can improve our programs. Each reform requires further analysis and consideration before final decisions and implementation. While this process will take time, our aim is to implement the 20 proposed reforms in phases, with the first set of reforms ready to implement by the end of this fiscal year.

On behalf of our staff that facilitated the engagement sessions and the Roundtable Gathering, we would like to thank the communities who welcomed us and the hundreds of Nunavummiut that participated and shared their vision for a better Income Assistance system. Your ideas, perspectives, and stories have provided the guidance needed to step forward. We would also like to proudly thank our staff, whose dedication and hard work have been critical to ensuring we deliver on our commitment to Nunavummiut.

Hon. George Kuksuk
Minister of Family Services

Hon. Monica Ell-Kanayuk,
Minister of Economic Development and Transportation

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EXECUTIVE SUMMARY

Our commitment to review and reform

In *Sivumut Abluqta,* our Government committed to help Nunavummiut reduce their dependence on government. To accomplish this, we committed to review and reform Income Assistance and invest in economic development.

The Income Assistance system supports vulnerable Nunavummiut who, for various reasons, cannot meet their basic needs. The system is also meant to help Nunavummiut move towards independence.

With nearly four in ten Nunavummiut relying on Income Assistance each year, concerns about how well the program is working have grown. Many agree that Income Assistance requires review and reform.

Income Assistance by the numbers	
14,428	The number of individuals that received Income Assistance in 2015 (39% of the population).
$5,376	The average amount Income Assistance clients received in 2015.
37%	The increase in families that rely on Income Assistance, from 2000 to 2015.
$44.7M	The budget for Income Assistance, fiscal year 2016-17.

What we heard

In the fall of 2015, the Departments of Family Services and Economic Development and Transportation travelled across Nunavut to hear from Nunavummiut about what works and what needs to change, and to help build a new approach to Income Assistance and Economic Development.

We heard clearly that we need to improve our programs. Nunavummiut said they are concerned that Income Assistance has become a habit, and worried that too many youth see Income Assistance as their first step into adulthood. Many even suggested Income Assistance was more a cause of poverty than a solution. Other research we conducted for this review reinforces what we heard from Nunavummiut:

Key findings from our Review	
Benefits	Benefits should be simpler, better communicated, and keep up with changes in living expenses.
Incentives to work	Many people receiving Income Assistance want to work, but the system needs to ensure working is financially attractive.
Staff support	Government of Nunavut staff can do more to help Income Assistance clients by taking on a more supportive 'coaching' role.
Productive Choices	There are opportunities to improve Productive Choices with new programs to help build productive skills.
Economic opportunity	The Government of Nunavut can do more to foster vibrant local economies, which are critical to helping people out of poverty.

Proposed reforms to Income Assistance and Economic Development

In this report, we build on the key findings from our review and the improvements we have made so far to propose the next set of steps towards a simpler, more effective system. We are proposing 20 reforms, and group them into five "pillars of change."

Five pillars of change to Income Assistance and Economic Development programs

1	2	3	4	5
Simplify benefits and ensure they cover basic expenses.	Improve incentives to work and train.	Adopt a coaching approach to Income Assistance.	Invest in job creation & reducing barriers to work.	Strengthen internal administration.

We use the term ***'proposed reforms'*** on purpose. These reforms are not final or set in stone; instead, they set out a path forward while allowing us some flexibility in our approach (to respond to further stakeholder feedback, for example). The Government will use the proposed reforms outlined here to guide our own analysis and work, and will consider other important factors before making final decisions about implementing changes.

We summarize the 20 proposed reforms below.

Pillar 1: Simplify benefits and ensure they cover basic expenses

The first pillar includes changes to make Income Assistance benefits easier to understand and to make sure the program covers the cost of basic needs:

- **Reform 1: Simplify Income Assistance calculations:** Income Assistance benefits are complicated. There are different benefits for different items (like clothing, rent and food) and different formulas for each benefit. We will find ways to combine benefits, make the calculations easier, and develop tools to help Nunavummiut better understand the system (for example, a budgeting guide).
- **Reform 2: Consider linking Income Assistance to changes in living costs:** Living costs change over time. Unless benefits change too, clients need to stretch their budgets further every year to meet basic needs. We will explore ways to link benefit amounts to the cost of living so they keep up to better reflect the costs that clients face.
- **Reform 3: Let people keep some savings and still qualify for Income Assistance:** Currently, Nunavummiut have to spend all of their savings to qualify for Income Assistance. This rule can intensify poverty and dependency because clients cannot save for emergencies or other productive reasons, like buying tools to get a job. Nunavut is the only place in Canada that does not let clients set aside some amount of money.
- **Reform 4: Explore an increase to allowance for persons with disabilities:** The Government of Nunavut (GN) has not increased the allowance that helps cover extra costs for people with disabilities since 1999. As prices have gone up, the allowance is worth less today.

Pillar 2: Improve incentives to work and train

The second pillar includes changes to make work more financially attractive for Income Assistance clients, and to encourage more Nunavummiut to sign up for Productive Choices:

- **Reform 5: Look for ways to make work more attractive:** To encourage independence and to make work financially attractive, we will change how we calculate Income Assistance so that clients who work can keep more of the money they earn each month.
- **Reform 6: Coordinate Income Assistance with other income support programs:** Governments offer a range of programs that do not always work well together. Different programs can create overlaps or gaps that make the system more complicated, less effective, and more expensive. We will shift our approach to consider this bigger picture.
- **Reform 7: Lower penalties for clients who try to work or train but don't succeed:** Currently, when a client leaves a job or training their family's benefits are suspended entirely for 60 days. For many, this harsh penalty is a strong reason to stay on Income Assistance. Lowering it will make it less risky for someone to try and get back into the workforce.
- **Reform 8: Explore changing eligibility for Income Assistance to 19:** Currently, 18-year olds may apply to receive Income Assistance on their own. We will explore changing eligibility rules so we would continue to support 18-year olds, but as dependents. Importantly, we would work with them to take a Productive Choice, like skills upgrading. This change would make eligibility for Income Assistance the same as for Public Housing. Eligibility for Income Assistance is 19 in the other Territories.

Pillar 3: Adopt a coaching approach to Income Assistance

The third pillar includes changes to improve the services and support the GN provides to Income Assistance clients:

- **Reform 9: Reform Productive Choices:** Family Services will move towards a coaching role for Income Assistance Workers so clients get more help to plan their Productive Choice and move towards independence. Improving help for Income Assistance clients was a common finding at our community meetings and from the Roundtable for Poverty Reduction.
- **Reform 10: Strengthen connections to hunting programs:** Family Services will work with organizations that deliver Hunter/Harvester programs, like EDT's Country Food Distribution Program, to find ways we can strengthen connections between them and Income Assistance to make it easier for clients to access these programs.
- **Reform 11: Improve access to other income supports and financial services:** Some programs and services, like Employment Insurance or a bank account, can be hard to access in remote communities. In response, Family Services will explore ways to work with other organizations, including the federal government and financial institutions, to improve access to their programs and services in Nunavut.
- **Reform 12: Explore 'case management teams':** In many communities, different organizations deliver social services in different places, and clients must access some services by telephone or internet. This can make it hard to get help. By working together and taking a more client-centered approach, community staff could better serve clients.

Pillar 4: Invest in job creation and reducing barriers to work

Pillar four is a set of reforms to make Economic Development programs easier to access and to strengthen support for local entrepreneurs and job creation:

- **Reform 13: Develop a Job Creation Action Plan:** EDT will lead the development of an action plan to support job creation and business development. This project recognizes that many jobs in the territory are filled by temporary and transient workers, and more jobs will be needed to provide opportunities for youth entering adulthood.
- **Reform 14: Streamline EDT programs:** EDT will make it easier to access its programs for entrepreneurs and small businesses. This includes reducing the number of different programs and applications, and improving how applications are processed.
- **Reform 15: Explore providing capital for private daycare spaces:** Finding daycare can make it hard to keep a job. To help reduce this barrier, EDT will work with Education to explore a pilot project to provide capital for new private daycare spaces in one community.
- **Reform 16: Explore solutions to support entrepreneurship**: EDT will explore ways to strengthen our support for businesses and not-for-profits during their first two years of operations. This reflects the fact that many new start-ups fail in their first two years.
- **Reform 17: Place a greater focus on job creation when reviewing EDT programs:** This will make sure that we are always looking for ways to make our programs better.

Pillar 5: Strengthen internal administration

The fifth pillar includes reforms to ensure the GN has the tools, training and capacity to implement the other improvements:

- **Reform 18: Speed up the transition to electronic Income Assistance:** Currently, Income Assistance uses a computerized system in half of Nunavut communities, but processes payments manually in the rest. We will look for ways to roll out the database more quickly. This will lead to better client planning, safer storage of information, and reduce risk of fraud.
- **Reform 19: Update the *Social Assistance Act*:** The *Social Assistance Act,* which provides the legislative authority for the system, would benefit from a number of modest updates, such as replacing outdated terms. (Note: all of the other proposed reforms to Income Assistance do not require changes to the *Social Assistance Act*).
- **Reform 20: Review internal roles and responsibilities for Income Assistance:** Our proposed reforms would give different employees new tools and responsibilities, which need to be clearly defined for implementation to work well. It is particularly important that front-line staff have the information and support they need to deliver these changes smoothly.

What happens next?

Implementing reforms will still require analysis, decisions, and careful planning. We will approach these reforms in phases, and intend to move forward with the next set of reforms this fall, in time to make important improvements for the start of fiscal year 2017-18. We will continue to engage stakeholders, and will report back from time to time on our progress.

PART 1: OUR COMMITMENT TO REVIEW AND REFORM

Introduction and background

In *Sivumut Abluqta,* our Government committed to help Nunavummiut reduce their dependence on government. To accomplish this, we committed to review and reform Income Assistance and invest in economic development.

The Government of Nunavut inherited the Income Assistance program from the Government of the Northwest Territories in 1999. The Income Assistance system supports vulnerable Nunavummiut who, for various reasons, cannot meet their basic needs. The system is also meant to help Nunavummiut move towards independence.

As we engaged communities across the territory in the fall of 2015, we heard clearly that we need to improve the Income Assistance system. The program was more often described as a cause of poverty than a solution. We heard from Nunavummiut concerned that Income Assistance has become a habit, and worried that too many youth see Income Assistance as their first step into adulthood.

This view of Income Assistance is rooted in the understanding that when Inuit moved into settlements, they left an environment where they had the skills and knowledge to be self-reliant and meet their needs. Many have struggled to make the transition – the wage labour market has not always valued such skills, knowledge and experiences.

Reliance on Income Assistance is especially worrying given Nunavut's economic growth. Since 1999, Nunavut's economy has more than doubled in size, and expanded through the global downturn more quickly than other provinces and territories.

How, then, can our Government strengthen its support for the most vulnerable Nunavummiut in realizing their potential and moving towards self-reliance, whether in the wage labour market or through traditional livelihoods? Addressing this question is the reason behind the partnership between Economic Development and Transportation and Family Services for this project.

Over the last year, our Departments have been working to identify how our programs can better serve Nunavummiut and their communities. Part 1 of this report presents our work to date and planned next steps. It is organized in four sections:

- **What we heard:** summarizes what we learned about Income Assistance and Economic Development, drawing on our community meetings, the Nunavut Roundtable for Poverty Reduction, and recent studies of Nunavut's Income Assistance system;
- **Progress to date:** highlights progress we have made reforming our programs;
- **Proposals for change:** draws on what we heard during the review to propose 20 reforms to improve Income Assistance and Economic Development programs; and
- **Implementing reform:** identifies planned next steps to continue with reform.

For a deeper understanding of what we heard from our community engagement, Part 2 provides a detailed question-by-question analysis of the feedback we received from communities.

What is Income Assistance?

'Income Assistance' refers to a set of five programs that provide financial support to low-income Nunavummiut. They include:

Income Assistance Program Provides resources to help individuals meet their basic needs.	**Nunavut Child Benefit** Assists low-income families with costs of raising children.	**Daycare Subsidy** Assists low-income families with costs of daycare while in training or work.	**Senior Citizen's Supplementary Benefit** Assists low-income seniors with costs of living.	**Senior Fuel Subsidy** Assists senior home owners cover costs of home heating fuel.

Together, these programs play an important role in the lives of Nunavummiut, providing over $40 million to over 14,000 individuals each year – nearly 40% of the population. While each program has different eligibility requirements and provides different types of support, together they are designed to:

- Provide assistance to individuals who are unable to meet their basic needs; and
- Support individuals and families move towards independence and self-reliance.

Income Assistance works together with other programs, like Public Housing, to ensure Nunavummiut can meet their basic needs. For clients who are able to work, Income Assistance staff help connect them to training, job-readiness programs, and other community services.

What are Economic Development programs?

The Government of Nunavut delivers Economic Development programs through its Department of Economic Development and Transportation (EDT). The programs provide financial assistance to individuals, businesses, not-for-profit organizations and municipalities to further economic development and help create jobs. Relevant programs for this review include:

Strategic Investments Program	**Community Capacity Building Program**	**Small Business Support Program**
Arts Development Program	**Community Tourism & Cultural Industries Program**	**Community Transportation Initiatives**
Northern Aviation Scholarships	**Country Food Distribution Program**	**Nunavut's Prospector's Program**

Appendix B contains detailed information about these programs.

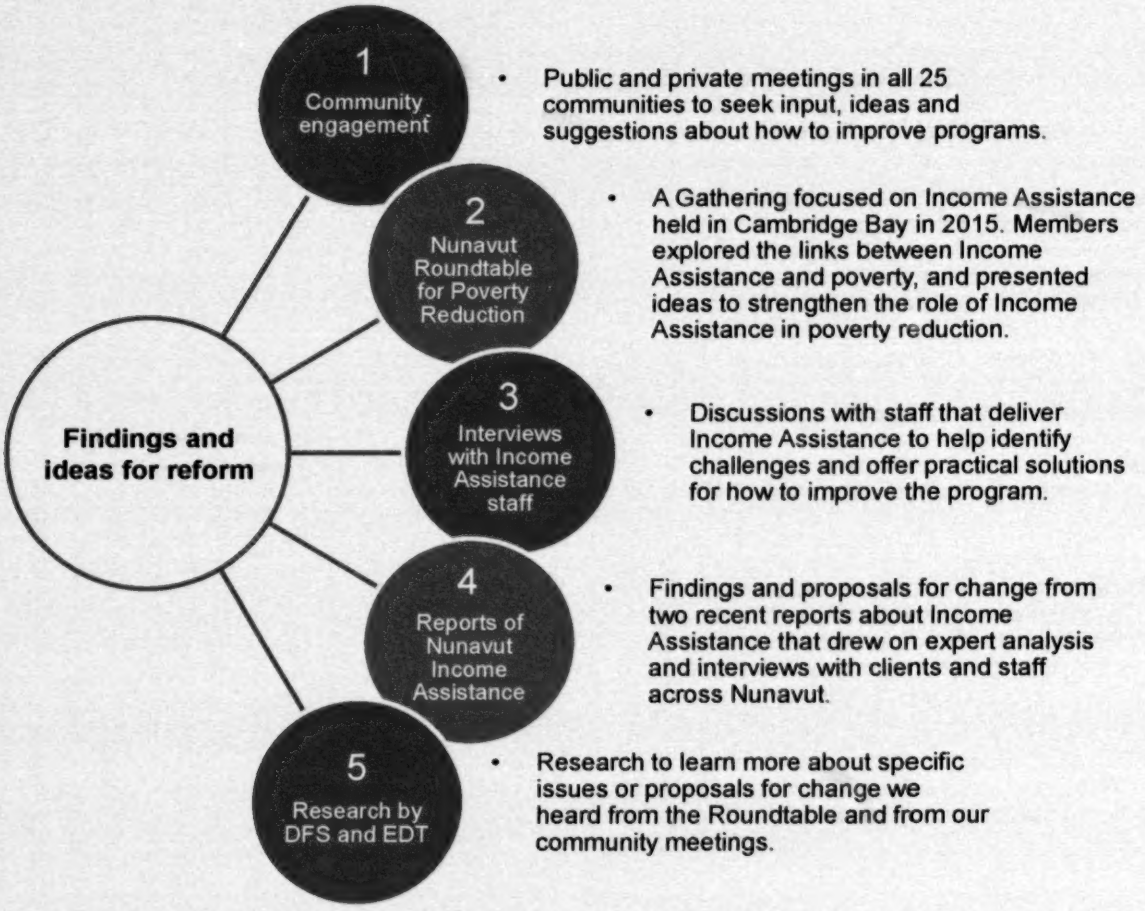
Our approach to reviewing the programs

To help understand what is working and what needs to change about our programs, we drew on substantial community engagement, the Nunavut Roundtable for Poverty Reduction, staff expertise, research and analysis. The figure below describes the five main sources of information that we used to review our programs.

Each source of information brought a different perspective to analyzing our Income Assistance and Economic Development programs. For example, the Nunavut Poverty Reduction Roundtable Gathering in Cambridge Bay in December 2015 explored the relationship between Income Assistance and poverty; and staff from the Department of Family Services shared their knowledge of the challenges in the day-to-day administration of Income Assistance programs.

When combined, these various sources give us a strong understanding of how well our programs are working, and provide the basis for building a new approach to Income Assistance and Economic Development:

Information we used to review our programs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Community engagement
2
Nunavut Roundtable for Poverty Reduction
3
Interviews with Income Assistance staff
4
Reports of Nunavut Income Assistance
5
Research by DFS and EDT
• Public and private meetings in all 25 communities to seek input, ideas and suggestions about how to improve programs.
• A Gathering focused on Income Assistance held in Cambridge Bay in 2015. Members explored the links between Income Assistance and poverty, and presented ideas to strengthen the role of Income Assistance in poverty reduction.
• Discussions with staff that deliver Income Assistance to help identify challenges and offer practical solutions for how to improve the program.
• Findings and proposals for change from two recent reports about Income Assistance that drew on expert analysis and interviews with clients and staff across Nunavut.
• Research to learn more about specific issues or proposals for change we heard from the Roundtable and from our community meetings.

What we heard

Community perspectives guide reform

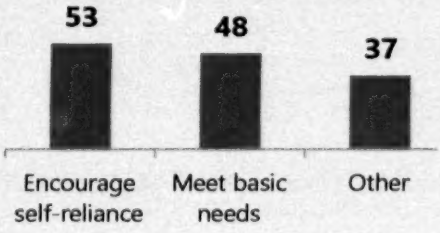
In the fall of 2015, the Departments of Family Services and Economic Development and Transportation travelled to every community to hear directly from Nunavummiut. Hundreds of community members participated, sharing over 1,400 ideas and suggestions. We recorded each statement and grouped them into common themes. Together, they provide good insights into how Nunavummiut view the system, and possible improvements. We summarize the findings below, and provide a more detailed analysis of the community engagement in Part 2.

What role should Income Assistance play in our communities?

Nunavummiut's vision for Income Assistance is in line with the goals of the current system:

- *Encourage self-reliance and meet basic needs*: The most common answers were about (1) Income Assistance helping people become independent; and (2) Income Assistance providing enough resources for families in need to cover basic living expenses.
- Other common responses were about how Income Assistance should be a program of last resort, and that the community should work together to support vulnerable community members.

Community answers, "Role of Income Assistance" (138 responses)



"Income Assistance should not only provide basic income but also encourage people to get help and teach what well-being means... so they will be able to work consistently." – Kimmirut

What stops people from leaving Income Assistance?

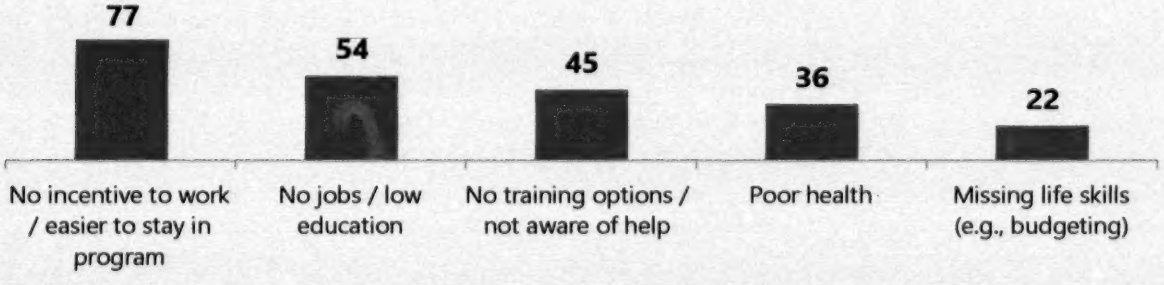
We asked about the barriers people face when trying to leave Income Assistance. Nunavummiut answered in a number of ways. The most common answers related to:

- *Work incentives:* The idea that work 'doesn't pay' and that it is more stable to stay on Income Assistance.
- *Lack of jobs:* A lack of jobs or not having the right education for available jobs.

Other common answers included a lack of training options, poor health, and missing life skills (for example, budgeting, cooking).

"Any job in town is overwhelmed with applicants. Most people would rather work than receive Income Assistance." – Rankin Inlet

Community answers, "Barriers to leaving Assistance" (271 responses)



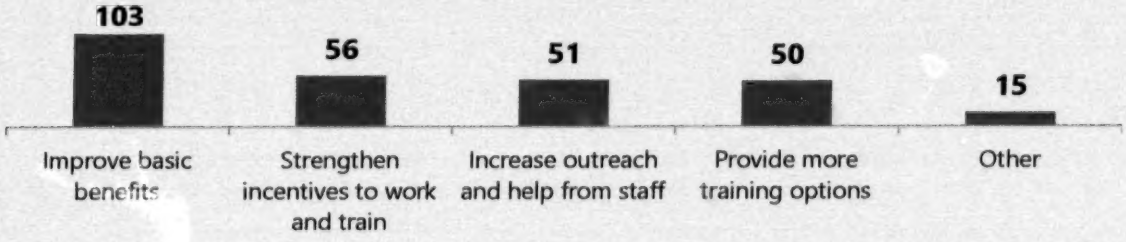
How can we improve the Income Assistance program?

Nunavummiut shared many ideas and suggestions on how to improve the program, including:

- *Improve basic benefits:* Ideas included increasing benefits and linking them to changes in living costs. Some mentioned benefits for specific groups, such as persons with disabilities and seniors.
- *Strengthen incentives:* Proposals to make taking a job or training more financially attractive and feasible.
- *Improve support for clients:* Including better advertising, simplifying information about programs available, and more coaching/support from staff.
- *Provide training:* Including job training, work experience, life skills (like budgeting) and traditional skills programs.

"People turn down work because what they earn is subtracted from Income Assistance. Maybe allow more money earned to be excluded from this rule. It may help them to gain more work experience." – Cambridge Bay

Community answers, "Changes to Income Assistance" (275 responses)



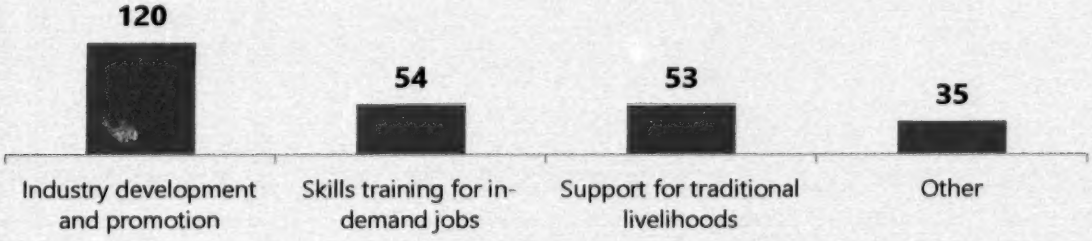
How can we improve Economic Development programs?

Nunavummiut also offered ideas on how the Government of Nunavut could better support local economic development, including:

- *Support industry development:* A desire for programs to focus on job creation and diversification. Ideas included work spaces for artists, start-up support for entrepreneurs, and infrastructure (like a port).
- *Provide more training:* Proposals to expand technical training programs for jobseekers and small business owners, such as accounting and bookkeeping.
- *Support traditional livelihoods:* Nunavummiut also proposed enhanced programming to learn and practice traditional livelihoods, and more support for alternatives to the wage economy.

"A place where you can sell your arts and crafts year round!" – Pangnirtung

Community answers, "Changes to Economic Development programs" (262 responses)



Roundtable for Poverty Reduction adds to ideas for improvement

The Nunavut Roundtable for Poverty Reduction Gathering in December 2015 explored links between Income Assistance and poverty reduction, and the relationship between Income Assistance and the Inuit custom *Inunnguiniq*: raising a capable and contributing human being. We highlight key themes from the discussion below.

Adaptation through education and training

"Inunnguiniq taught you survival. It taught you to live off the land. Today it has become so much harder to survive." – Roundtable Member

The Gathering provided an opportunity to reflect on how Inuit met their basic needs before Income Assistance. Adaptation to the land and environment was a clear and strong answer. Roundtable Members recognized that resilience and the ability to adapt to changing conditions were key to survival, and that this need continues today in a different context.

Members reflected on the shift from traditional livelihoods to working for income, and noted the significant challenges of adapting to this different way of life. They emphasized the importance of education and training as a way to succeed, while confirming the importance of continuing to enrich and celebrate Inuit culture.

Members envisioned an Income Assistance program that helps Nunavummiut adapt and prepare for tomorrow, and called for strengthening access to education and training options.

"We have to realize that our young people need an education. We also need to teach them our Inuit culture so they are proud of themselves." – Roundtable Member

Providing for community and family

Members spoke of the Inuit tradition of providing for others, and of how everyone has a role in supporting and sharing with all members of the community. However, Members raised concerns that today's struggles and the need for money have broken down this important practice.

"Everyone in the community has something to contribute." – Roundtable Member

Members spoke of Inuit as being keenly aware of their surroundings, and able to find innovative solutions to challenges. They expressed the belief that everyone has useful skills and abilities, and envisioned an Income Assistance program that motivates people to be aware of community needs and to contribute to them, as well as a program that recognizes such contributions.

Income Assistance and hunting

Members spoke of hunters and the land as two of Nunavut's greatest resources, and agreed that more needs to be done to support land-based livelihoods. Members recognized that Nunavummiut face challenges in getting out on the land, including paying for equipment, repairs, gas and supplies. Shifting from a nomadic lifestyle to settlements and changing migration patterns means hunting grounds are now further away. There is an emerging disconnect from traditional knowledge and survival skills.

Currently, Income Assistance clients can pursue traditional activities, including hunting, as a Productive Choice. As part of the Gathering, members explored how else the Income Assistance program could support clients who want to hunt.

Members noted that several harvester support programs already exist. They called for better coordination of these programs and stronger support to help hunters make use of them. They suggested the GN could help facilitate hunting and harvesting by connecting less skilled Nunavummiut with seasoned hunters, and underlined the need for more hunter mentors.

A coaching and mentorship approach to Income Assistance

"We should be offering more life skills." – Roundtable Member

At the Gathering Members considered whether Income Assistance could better encourage self-reliance. Members suggested that the current program works against independence, and is even a cause of poverty. However, they also suggested there is potential for it to encourage self-reliance. Members envisioned a program that helps clients build self-esteem and foundational skills, such as healthy choices, parenting and financial literacy, by connecting clients to wellness, education and training opportunities or resources to start small businesses.

Roundtable Members called for the program to adopt a coaching and ongoing case management approach, and to focus less on penalties. They saw an opportunity to engage Elders and parents as mentors. Members also thought it was important for there to be a Career Development Officer in each community, and for these Officers to work more closely with other front-line service providers. More programs, and more information about them, is also important. With so many Nunavummiut accessing Income Assistance, Members saw an opportunity to use Income Assistance to refer and guide clients to other programs.

"The 2-month benefit penalty for those who do not follow the [Income Assistance] contract is punitive and doesn't offer a solution. Coaching would be more helpful." – Roundtable Member

Benefit structure

Lastly, Members considered how Income Assistance calculations could make sure clients have enough resources to live without poverty and encourage clients to enter the workforce or a traditional livelihood. Members called for better incentives to work, including by letting clients keep more of the income they earn. They also called for an increase to basic benefit amounts, and suggested that Nunavummiut should be able to keep some savings to help cover emergency costs and other useful purposes, but still qualify for Income Assistance.

Studies of Nunavut Income Assistance reinforce what we heard

We have also considered existing sources of research and analysis as part of our current review. For example, the 2011 *Nunavut Social Safety Net Review* is a review of Nunavut social programs that included over 130 interviews with clients, staff, and non-governmental organizations across 10 communities. In 2013, the Caledon Institute—a social research organization and leader on the study of income assistance programs—prepared *Poverty and Prosperity in Nunavut*, an analysis of income support in the territory. These studies identified a number of changes to help Income Assistance better meet the needs of vulnerable Nunavummiut and to help them realize their full potential. The findings from this research reinforce and complement what we are heard from Nunavummiut and the Roundtable:

Simpler, more coordinated benefits

Income support programs could be streamlined and better coordinated. While Income Assistance is one of the primary programs that support low-income Nunavummiut, other Departments and organizations deliver similar programs. Applications for some programs can be complex, and some are only available in French and English, or only online. This can make it hard for Nunavummiut to know where and how to get support.

Better incentives to work

Programs could be better coordinated to encourage working, and incentives to work could improve. While many federal and territorial programs are designed so benefits are reduced slowly as people make money, these programs, like tax credits, child benefits, and public housing, were designed separately from each other. Because of how these programs overlap, it does not always pay more to work more, especially for Income Assistance clients.

Increased collaboration to plan services for clients

There are opportunities for staff that deliver programs (Income Assistance Workers, Career Development Officers, and others) to work better together to plan services and inform Nunavummiut of the types of support available. While staff in some communities have developed innovative ways of working together, this is not the case for all communities.

A stronger focus on poverty reduction

While these studies commended the investments made by the Government of Nunavut to support low-income Nunavummiut, they also highlighted persisting, high levels of poverty, and suggested more could be done to ensure that basic needs are met for all Nunavummiut.

Emphasis on local/regional economic development

Lastly, these studies noted the critical link between vibrant local economies and poverty reduction. While Nunavut has experienced strong economic growth since 1999, Nunavummiut have not always been in the position to fully contribute to, or benefit from, this growth.

Together, findings from community meetings, the Roundtable Gathering, and studies of Nunavut Income Assistance provide a strong basis to move forward with reform.

Progress to date

While this Report presents our findings and proposals for change, the Government of Nunavut has been working steadily to improve Income Assistance.

Bringing key services together by creating the Department of Family Services

In 2013 the Government of Nunavut created the Department of Family Services, bringing Income Assistance, Career Development, Child and Family Services, and Poverty Reduction programs together under one department. This was an important step towards an integrated, holistic approach to service delivery – but we still have more work to do.

Exempting the National Child Benefit Supplement from Income Assistance

On April 1, 2016, the Government of Nunavut began to exempt the income that families receive from the National Child Benefit Supplement (NCBS) from monthly Income Assistance calculations. As a result, roughly 2,500 low-income families will receive extra financial support to help cover the costs of raising children:

- Up to $190 more per month for one child;
- Up to $358 more per month for two children; and
- Up to $160 per month for each additional child thereafter.

As a result, the GN expects to provide roughly $6.8 million more in financial support for families with children in 2016-17. Before April 2016, the GN would lower the amount a family would receive in Income Assistance by the amount of their NCBS payment.

Building client confidence and skills: the GREAT program

In September 2015, Family Services launched the Getting Ready for Employment and Training (GREAT) program, a 12-week training and work experience program for Income Assistance recipients.

This winter, the GREAT program was delivered in 7 communities, with 50 students graduating in April 2016, 40 students with attendance records of 90% or higher and 19 students with jobs already. The GN will deliver this program in 11 communities in the fall of 2016, with up to 132 student spaces available.

"What I learned from the GREAT program is that to be a holistic person, all the parts of the body have to be working properly. It's similar to the blocks of the igloo. If one block is shaky, it affects the whole igloo." – GREAT student

Improving the Senior Fuel Subsidy

The Senior Fuel Subsidy program reimburses low- and middle-income seniors for the cost of home heating fuel. In January 2015, the GN increased the amount of fuel eligible for reimbursement to 3,500 litres across all communities. Before this change, the subsidy ranged from 2,668 litres to 3,175 litres based on community, which were organized into four zones.

Increasing the Senior Citizen Supplementary Benefit

In April 2015, the GN increased the Senior Citizen Supplementary Benefit (SCSB) from $175 to $200 per month to account for increases in living costs. Nunavummiut 60 or older that receive the Federal Guaranteed Income Supplement or Spouse's Allowance are automatically enrolled for this benefit when they file their taxes each year.

Proposals for change

In this section we describe our proposed reforms. There are 20 proposed reforms in total, which we organize into five 'pillars of change,' described below. The reforms are grounded in the key findings from our review, and are designed to help our programs meet their core objectives of:

- Providing adequate resources to Nunavummiut in need to cover basic living expenses;
- Encouraging self-reliance and independence among Income Assistance recipients; and
- Supporting community traditional livelihoods, economic growth and job creation.

Five pillars of change

1 Simplify benefits and make sure they cover basic expenses	2 Improve incentives to work and train	3 Adopt a supportive, coaching approach to Income Assistance	4 Invest in job creation & reducing barriers to work
Reforms to make benefits easier to understand and to help people who rely on Income Assistance meet their basic needs.	Reforms to make work and training more attractive and to encourage more people to sign up for Productive Choices.	Reforms to improve the support and service planning provided to Income Assistance clients.	Reforms to make economic development programs easier to apply for, and to support job creation and entrepreneurs.

5 Strengthen internal administration

Reforms to ensure the Government of Nunavut has the tools, training and capacity to implement change and monitor program improvements.

What do we mean by "proposed reforms"?

We use the term ***'proposed reforms'*** on purpose. These reforms are not final or set in stone; instead, they set out a path forward while allowing us some flexibility in our approach (to respond to further stakeholder feedback, for example).

The Government will use the proposed reforms outlined here to guide our own analysis and work, and will consider other important factors before making final decisions about implementing changes.

Pillar 1: Simplify benefits and ensure they cover basic living expenses

Reform 1: Simplify Income Assistance calculations

Nunavummiut were clear that Income Assistance can be simpler and better communicated. Having different payments for different needs (like clothing, rent, food and incidentals) makes the system harder to understand, without adding much value. Applications for some programs, like the Daycare Subsidy, are complex and difficult to understand and use. Family Services will look for ways to combine allowances and simplify applications and calculations, and will develop new information and tools to explain these changes.

Reform 2: Consider ways to link Income Assistance to changes in living costs

Family Services will explore ways to link Income Assistance to changes in living costs. This will help make sure the real value of the benefits—what families can afford to buy with them—keeps up with prices over time. Currently, benefit amounts are not linked to changes in living costs, which means automatic adjustments are not built into the system. While the GN has increased some of its benefits over the years, these occasional adjustments are administratively inefficient, and some benefits have stagnated.

"Increase Income Assistance should keep up with food prices." – Cape Dorset

Reform 3: Let people keep some savings and still qualify for Income Assistance

Being able to set aside a small amount of money is an important part of budgeting and planning. It also allows families who save to have some extra flexibility and independence. Currently, however, the Income Assistance system is set up to encourage Nunavummiut to spend all of their money each month to get benefits, which discourages savings or longer-term (month-to-month) budgeting. To address this, Family Services will introduce a "liquid asset exemption" to allow people to keep some savings and still qualify for Income Assistance. Currently, Nunavut is the only jurisdiction in Canada without a liquid asset exemption.

"The needs test used to determine eligibility for [Income Assistance] reinforces poverty...requiring applicants to deplete most of their assets to qualify." – Poverty and Prosperity in Nunavut

Reform 4: Explore an increase to the Income Assistance disability allowance

Family Services proposes to increase the incidental benefit that helps cover disability-related costs, as the current benefit ($175 / month) has not increased since 1999.

Pillar 2: Improve incentives to work and train

Reform 5: Look for ways to make work more financially attractive

Family Services will adjust how it calculates Income Assistance to make work more financially attractive. Currently, the Income Assistance system reduces a recipient's monthly benefits by a dollar for every dollar of income they earn over $200 in a month ($400 for a family). Because benefits go down by the same amount a recipient earns above the threshold, they do not bring home any extra pay for working. As a result, there is little financial incentive for Income Assistance clients to work. To address this, we will adjust our benefit calculations so that the system better encourages work (for example, by reducing benefits more slowly as people earn money).

Reform 6: Coordinate Income Assistance with other income support programs

Many other programs also support low-income Nunavummiut, such as the Federal Government's Canada Child Benefit, Employment Insurance, and Guaranteed Income Supplement programs. The GN – through the Nunavut Housing Corporation – provides important and significant support through geared-to-income Public Housing, as well as through other programs. While each program may be designed well on its own, they do not always work well together. Different programs can create overlaps or gaps that make the entire system more complicated, less effective, and more expensive. Recognizing this, Family Services will work to better understand the entire system facing clients, and will build this understanding into our future analysis of the system.

Reform 7: Lower penalties for those who try to work or train but don't succeed

The Income Assistance system should help our clients move towards self-reliance. Currently, if a client leaves a job or training (voluntarily or not), their benefits are suspended entirely for 60 days. This chance of being cut off from Income Assistance for two months makes it risky for someone to start a new job or training program, and is a barrier for many. To encourage more clients to upgrade skills and enter the workforce, and to protect families from unnecessary hardship, Family Services proposes to lower the benefit suspension for clients who try to take a job or training but are unsuccessful. There would still be a penalty for repeat infractions (for example, someone who quits multiple jobs).

"For clients that get fired, at least give them a second chance." – Chesterfield Inlet

Reform 8: Consider changing eligibility for Income Assistance to 19

During our community engagement and Roundtable Gathering, we heard concerns that young Nunavummiut may look at Income Assistance as a step into adulthood. Entering the system early can make Income Assistance a "habit," which can be hard to break.

"The expectation is there – when you become a young adult, you have a choice to NOT work, and go on Income Assistance" – Qikiqtarjuaq

Currently, 18-year olds may apply to receive Income Assistance on their own. The GN will explore changing eligibility to 19 so that we would continue to support 18-year olds, but as dependents rather than as recipients. Importantly, we would work with 18-year olds so they pursue a Productive Choice, like skills upgrading or job search, and Career Development Officers would support them in their career planning. The eligibility rules would also allow appropriate exceptions. This change would align the eligibility age for Income Assistance with that of Public Housing. The Northwest Territories and Yukon have already made this change.

Pillar 3: Adopt a supportive, coaching approach to Income Assistance

Reform 9: Reform Productive Choices to encourage client progress

The Income Assistance program is primarily designed to administer payments: clients come in, workers assess their financial situation, and clients leave with some financial support. While this will remain at the core of the program, Family Services intends to reform our approach to emphasize a coaching role for staff to help Nunavummiut towards self-reliance. We will work with our partners to ensure this reform complements existing support available to Nunavummiut. Examples of this approach may include:

- *Creating Client Action Plans*: Income Assistance Workers would work with clients to identify their strengths, barriers, and goals. Together, they would build an Action Plan that lists the actions the client and others need to take to achieve these goals. The Plan would identify "stepping stone" objectives to help encourage and recognize progress.
- *Combining Productive Choices*: Clients will be able to do multiple Productive Choices simultaneously in a way that works for them, rather than do one at a time.

Reform 10: Strengthen connections to hunter and harvester programs

Hunting and harvesting is currently a Productive Choice activity for Income Assistance clients. Based on suggestions from the public meetings and the Roundtable for Poverty Reduction, Family Services will work with the organizations and departments delivering hunter and harvester programs, including EDT's Country Food Distribution Program, to strengthen connections between these programs and Income Assistance. This will make it easier for clients to choose hunting and harvesting as their Productive Choice.

Did you know? The GN supports hunting & harvesting for Income Assistance clients. Clients can choose hunting or harvesting as their Productive Choice activity as part of their Income Assistance contract.

Reform 11: Improve access to other income supports and financial services

The Government of Nunavut is not alone in supporting low-income Nunavummiut. Other governments, organizations and private-sector firms also offer important programs and services. For a number of reasons, Nunavummiut do not always take full advantage of these other programs and services, which means they do not benefit fully from the support available to them. Family Services would work with the Government of Canada and other organizations to:

- Help Nunavummiut make better use of federal income support programs (for example, by encouraging Canada to make program information available in Inuktitut and Innuinaqtun, and by finding other ways to improve access).
- Find ways to promote and facilitate access to banking services. When used properly – and with the right support – individuals and families can use basic banking as a tool towards self-reliance. We would seek collaboration from financial institutions and other organizations to help improve client access to, and their understanding of, basic banking services.

Reform 12: Explore 'case management teams' to support Income Assistance clients

In many communities, different organizations deliver social services in different places, and some services require remote access through telephone or internet. This can make it hard to get help. Family Services will work to improve service planning for clients by exploring 'case management teams.' These teams would bring together key staff to plan services for clients and make it easier for clients to get the right support.

"We need someone in the community that know what programs are available" – Kugaaruk

Pillar 4: Invest in job creation and reducing barriers to work

Reform 13: Develop a Job Creation Action Plan

EDT will, in collaboration with other organizations, develop an action plan to support job creation and business development to ensure Nunavummiut have opportunities to improve their quality of life. This project recognizes that many jobs in the territory are filled by temporary workers, and that as our youth enter adulthood, more jobs will be needed for school leavers.

"There is a lack of employment opportunities in the wage economy here." – Clyde River

Reform 14: Simplify and streamline EDT programs and services

EDT will work to simplify its programs by making applications for programs easier to complete, exploring opportunities to reduce the number of programs and reduce overlap between programs, and improve internal processing of program applications. These changes will make it easier for Nunavummiut to access EDT programming.

Reform 15: Explore providing capital to expand private daycare spaces

Nunavummiut told us that finding a reliable childcare provider can be difficult. In fact, Nunavummiut identified lack of childcare as one of the most common barriers to entering the workforce. Childcare services in Nunavut are a joint responsibility of multiple Departments. Education leads by regulating childcare policy and facilities. Through the Daycare Subsidy, Family Services helps offset the costs for low-income Nunavummiut. EDT will build on this work by exploring a pilot project to provide capital for the creation of new private daycare spaces in one community. The project is an important step in finding ways to increase access to childcare in Nunavut so it does not prevent people who want to work from working.

"Having to stay home with children makes it difficult. We need daycare." – Grise Fjord

Reform 16: Explore options to support entrepreneurship

Communities were clear that more should be done to support entrepreneurs, local businesses, and the not-for-profit (NFP) sector. In response, EDT will explore ways to strengthen our support for businesses and NFPs during their first two years of operation. This reform reflects data showing that many new start-ups fail in their first two years, limiting opportunities for Nunavummiut to pursue innovative business ideas.

"Encourage more art, tool making and sewing to be turned into businesses!" – Arctic Bay

Reform 17: Review EDT programs to place a greater focus on job creation

EDT will review its programs to place a greater focus on job creation. This includes:

- *Supporting youth transitioning into the labour force:* Explore options to collaborate with other Departments to provide additional support for youth early on in their careers; and
- *Evaluating the impact of programs on job creation:* Adjust how we evaluate Economic Development programs to focus on analyzing their contribution to job creation.

Prioritizing job creation in the design and monitoring of our programs will ensure they are focused on creating economic opportunities that directly benefit Nunavummiut.

Pillar 5: Strengthen internal administration

Reform 18: Accelerate implementation of the Income Support Delivery System

There are a number of clear benefits to administering Income Assistance using an electronic system and database, including:

- Better planning and coordination of services and benefits;
- More time for Income Assistance Workers to focus on working with clients;
- Better data and evidence to support analysis and good program and policy design;
- Safer storage and sharing of client information; and
- More accurate calculations and less risk of fraud.

"Stop using paper for Income Assistance (get the computer system instead)." – Kimmirut

Currently, the Department delivers Income Assistance using its electronic Income Support and Delivery System (ISDS) in 12 communities, but still relies on manual, paper-based calculations in the remaining 13 communities. The Department plans to roll out the ISDS in all communities over time, and will look for ways to speed up delivery.

Reform 19: Update the Social Assistance Act

The *Social Assistance Act* provides the legal authority for the Income Assistance program. As most of the Income Assistance rules are set out in regulation rather than in legislation, many of the reforms we propose here can be made without legislative changes. However, the *Act* itself would benefit from a number of modest updates, such as replacing outdated terms, updating content related to privacy legislation, and shifting some elements to regulation.

Reform 20: Review internal roles and responsibilities for Income Assistance

As the direct link between Nunavummiut and the financial support the Government provides, Income Assistance Workers have always played an important role in the communities. Implementing the reforms proposed here – and implementing them well – will rely in many ways on front-line staff. We need to make sure they have the information, tools and support they need to deliver these changes smoothly across the territory. Some of our proposed reforms would give employees new tools and, in some cases, different responsibilities. Recognizing the importance of our front-line staff, and their part in changing our approach to Income Assistance, we will work to clearly define these roles and responsibilities.

Summary of proposed reforms to Income Assistance and Economic Development

Simplify benefits and ensure they cover basic living expenses.

1. Simplify Income Assistance calculations.
2. Consider linking Income Assistance to changes in living costs.
3. Let people keep some savings and still qualify for Income Assistance.
4. Explore an increase to the Income Assistance disability allowance.

Improve incentives to work and train.

5. Look for ways to make work more financially attractive.
6. Coordinate Income Assistance with other income support programs.
7. Lower penalties for those who try to work or train but don't succeed.
8. Explore changing eligibility for Income Assistance to 19.

Adopt a supportive, coaching approach to Income Assistance.

9. Reform Productive Choices to encourage client progress.
10. Strengthen connections between Income Assistance and harvester programs.
11. Improve access to other income supports and financial services.
12. Explore 'case management teams' to support Income Assistance clients.

Target investments in job creation and reducing barriers to work.

13. Develop a Job Creation Action Plan
14. Simplify and streamline EDT programs and services.
15. Explore providing capital to expand private daycare spaces.
16. Explore options to support entrepreneurs.
17. Review EDT programs to place a greater focus on job creation.

Strengthen internal administration.

18. Speed up the transition to electronic Income Assistance.
19. Update the Social Assistance Act.
20. Review internal roles and responsibilities for Income Assistance.

Implementing reform

What happens next?

These proposed reforms are not final or set in stone; instead, they set out a path forward – a series of projects to work towards as we build on the reforms we delivered in 2015-16 (see Progress to date).

Implementing these proposed reforms well will require thoughtful analysis, balanced decisions, stakeholder feedback, and careful planning. While there is work to do, our Departments plan to turn these proposals into real improvements over time.

We will continue to approach the reform of Income Assistance in phases. Our aim is to dive into the work this summer, so that we are able to complete the analysis and policy work (including the necessary internal procedures) in time to present the next round of reforms for decisions by late fall of 2016. On this timeline, Nunavummiut could expect important changes to Income Assistance for the beginning of 2017-18.

As we continue to implement the second set of reforms through the end of 2016-17, we would begin to advance and implement the remaining reforms.

Monitor and evaluate changes to programs

We will track progress and will monitor implementation to address issues as they arise. We will have dedicated resources to monitor and support staff as they make the transition to new ways of doing things. We will report on our progress from time to time.

Working with Nunavummiut, our partners, and our stakeholders

We have based these proposed reforms on substantial community engagement, ideas from the Nunavut Roundtable for Poverty, our own internal expertise, and outside analysis and research. We have a good sense of how to move forward in meaningful ways.

Still, it is important that Nunavummiut, our partners and other stakeholders continue to contribute their ideas and suggestions. The Departments of Family Services and Economic Development and Transportation invite individuals or organizations to offer feedback on these specific proposals--or on the review and reform of Income Assistance generally--to:

By mail:

Attn: Income Assistance Review and Reform
Department of Family Services, Government of Nunavut
P.O. Box 1000 Station 1250, Iqaluit, NU X0A 0H0

By email:

IncomeAssistanceReform@gov.nu.ca

PART 2: DETAILED ANALYSIS OF COMMUNITY ENGAGEMENT

Overview of community engagement

To support the Review and Reform of Income Assistance, staff from the Departments of Family Services and Economic Development and Transportation travelled to every community in Nunavut to hear about how our programs are working, and how we can make them better.

In each community, we asked a set of ten questions (listed below). Hundreds of Nunavummiut participated, providing over 1,400 comments, suggestions, and ideas for change.

In this Part of the report, we describe the answers that Nunavummiut provided to these questions in detail, organized into the following sections:

Section	Questions we asked communities
The role of Income Assistance in Nunavut	1. What role should Income Assistance play in a healthy and strong community?
Barriers to leaving Income Assistance in Nunavut	2. What is stopping people from moving off Income Assistance? 3. Does the lack of access to childcare stop people from moving off Income Assistance?
Community proposals for Income Assistance	4. What incentives could be built into the Income Assistance Program to encourage people who can work, to apply for and accept jobs? 5. What other changes would you like to see to improve the Income Assistance programs? 6. How can we encourage our youth to complete high school and take advantage of education, training and work readiness opportunities instead of applying for Income Assistance?
Community visions for local economic development	7. What would you like your community to be like in 20 years?
Current community economic strengths	8. What are the current economic strengths of your community?
Community proposals for economic development	9. How can we build on these strengths to create more jobs and economic opportunities for people in your community? 10. Are there other economic development opportunities you would like to see in your community?

The role of Income Assistance in Nunavut

Community members were asked the following question:

What role should Income Assistance play in our communities?

We received 138 answers to this question. Nunavummiut's vision for Income Assistance is in line with the goals of the current system:

Encourage self-reliance – Answers about the Income Assistance program supporting families become more independent were the most common, coming up 53 times and discussed in nearly every community. The types of answers in this category included both general answers about how Income Assistance should encourage self-reliance, and specific answers about how the program should support people (for example, by providing training or work incentives).

"Encourage a stronger sense of pride, self-confidence, and self-esteem in Income Assistance clients, as it is often an uncertain part of their lives." – Arviat

Meet basic needs – Answers about the Income Assistance program providing enough resources to make sure that families are able to live without poverty were also frequently reported, coming up 48 times.

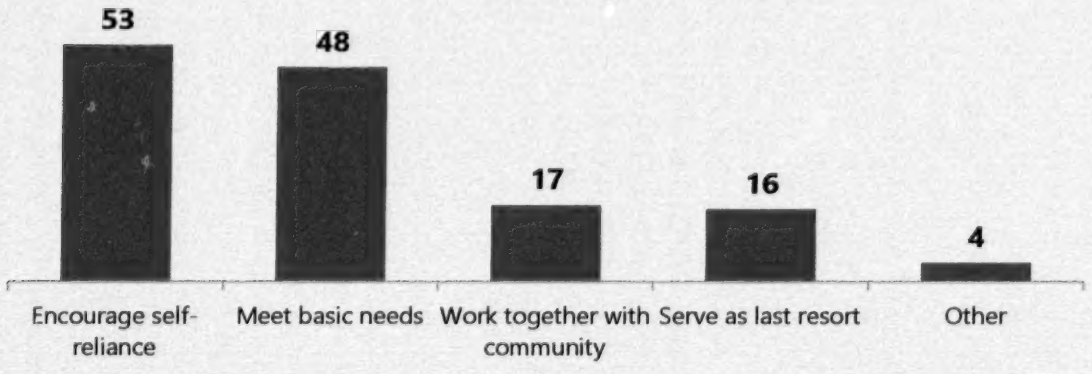
"To address client food insecurity before anything else. That is the start before anything else can be achieved!" – Iqaluit

Working together as a community – We received 17 answers about how communities should work together to provide for vulnerable community members, for example, by sharing food and encouraging youth to stay in school.

A program of last resort – Lastly, we received 16 answers from Nunavummiut who emphasized that Income Assistance should be a program of last resort and only be used when a family is not able to meet their basic needs.

"We as a community need to support and to keep encouraging our youth." – Naujaat

Community answers, "The Role of Income Assistance." (138 responses)



Barriers to leaving Income Assistance in Nunavut

We asked about the barriers people face when trying to leave Income Assistance. Nunavummiut answered in a number of ways. The most common answers related to:

What is stopping people from moving off Income Assistance?

We received 271 answers to this question. Community members discussed a range of barriers that we grouped into three broad categories:

- Barriers to getting hired by an employer (78 answers) – for example, not having the right skills or training for an available job.
- Barriers to taking available jobs (83 answers) – barriers that prevent people who want to work from taking jobs (for example, difficulty finding daycare).
- Barriers to getting ready for work (106 answers) – barriers that prevent people from being able to look for work or participate in training (for example, poor health).

Barriers to getting hired by an employer

Nunavummiut described a range of difficulties that Income Assistance clients face when trying to get hired. The most common answers were:

No jobs or missing education – A lack of available work was the most commonly reported barrier to getting hired, reported 34 times. We also heard from 20 Nunavummiut that there are sometimes jobs available, but Income Assistance clients often do not have the right education to fill these jobs.

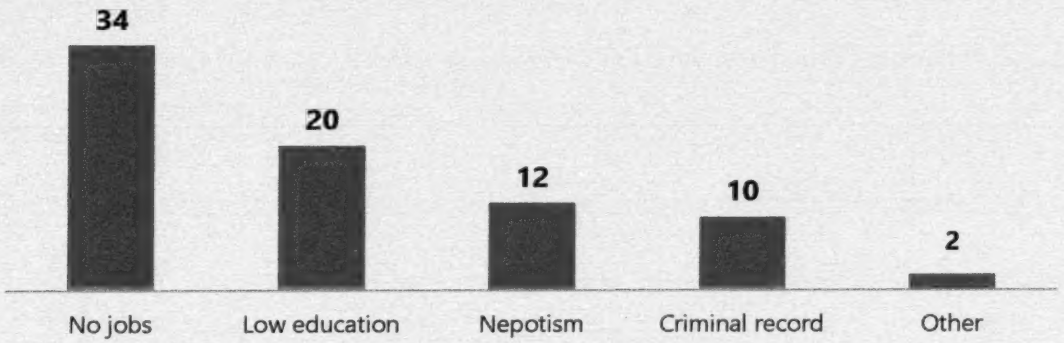
"There are no jobs here." – Kugluktuk

Nepotism – Some Nunavummiut expressed concerns that too often jobs in communities go to friends or family, rather than to the most qualified or deserving candidate.

Criminal records – Lastly, we heard from Nunavummiut that criminal records can make it difficult to get hired. Some community members also noted that getting a pardon for a criminal record is expensive and complicated, which can prevent clients from getting one.

"A criminal record is a barrier to getting a job. If people have a criminal record, they can't find work." – Resolute Bay

Community answers, "Barriers to getting hired." (78 responses)



Barriers that prevent clients from taking available jobs

Nunavummiut noted that most Income Assistance clients *want to work;* however, there are challenges with how Income Assistance is designed that prevent people from taking jobs:

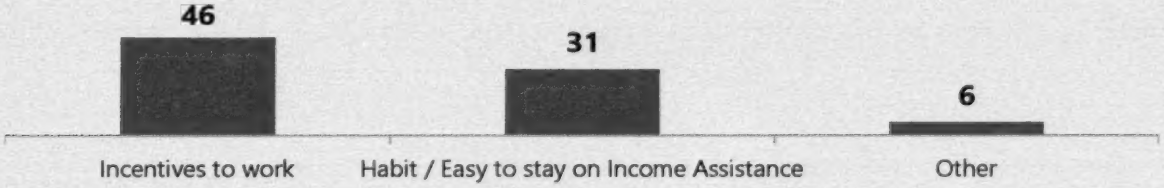
Incentives to work – The perception that it does not "pay to work" was commonly held by Nunavummiut who participated in the community engagement, coming up 46 times. Many Nunavummiut noted that work is not attractive for Income Assistance clients because of how earned income reduces their benefits, and feared taking a job would increase their rent.

Ease of access – Concerns about Income Assistance being a 'habit' or 'easy to access' were also reported, coming up 31 times.

Lastly, it was also noted that there are sometimes jobs available in other communities but the cost of moving is too expensive.

Did you know? Recent changes to Public Housing mean that if your income goes up (for example, because of a job), your rent increases gradually over a few years, instead of all at once. This makes it more financially attractive to leave Income Assistance for a job.

Community answers, "Barriers that prevent clients from taking jobs". (83 responses)



Barriers that prevent clients from getting ready for work

Lastly, we also heard from Nunavummiut about barriers that prevent Income Assistance clients from participating in programs that would help them get ready for work:

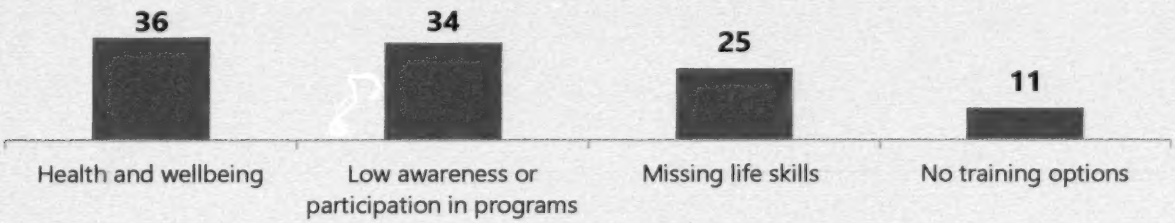
Poor health – Poor health (physical, mental and addictions) was the most commonly reported barrier to Income Assistance clients being able to work, mentioned 36 times.

Low awareness and participation – Nearly as common was the perception that clients are often not aware of the help available to them. Some Nunavummiut noted that applications are long and difficult to fill out, and clients don't get enough help to apply.

Other barriers Nunavummiut mentioned were poor life skills (e.g., budgeting, relationship issues), and a lack of training options available.

"Having the Career Development Officer located in Pangnirtung makes it difficult to contact them." – Pond Inlet

Community answers "Barriers to getting ready for work." (106 responses)



Issue in focus: Childcare as a barrier to leaving Income Assistance

We also asked communities specifically about access to childcare and whether it impacted the ability of Income Assistance clients to participate in training or work:

> **"Does the lack of access to childcare stop people from moving off of Income Assistance?"**

We received 83 answers to this question. The most common answers were:

Lack of reliable childcare – The majority of answers to this question (53, or 64%) mentioned not having enough daycare space or difficulties finding a reliable childcare provider. Difficulties finding childcare were reported at nearly all 25 communities.

- Participants noted a lack of both formal childcare and informal care (e.g., babysitters), and concerns over the reliability of both types of care.
- Some community members also reported frustrations with daycare centres closing during the summer months, even though parents still have to work.

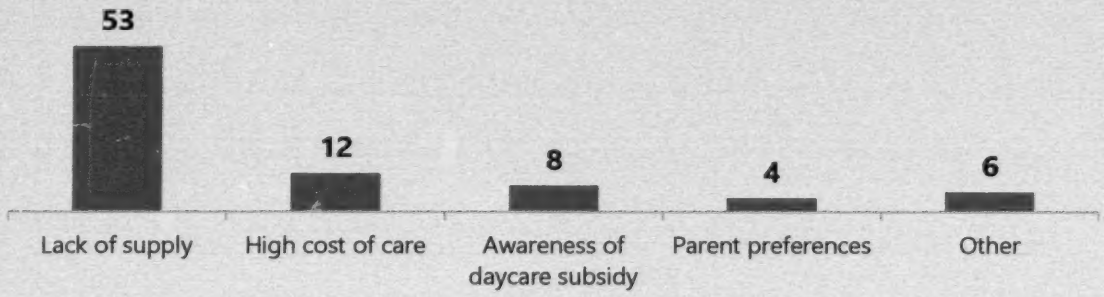
"Local daycare should be open to the whole community for the entire year, not just the school year. Whenever the school closes, the daycare closes, even though there are parents who work the full year." – Chesterfield Inlet

High cost of care – 12 responses (14%) mentioned the high cost of childcare as a barrier.

Low awareness of daycare supports – Some community members (8) noted that while there are subsidies available for childcare, sometimes people are not aware of these programs or have trouble applying for them, and that more can be done to support people in the application process.

Some Nunavummiut also mentioned that parents prefer to stay home and raise their children instead of using childcare. Several Nunavummiut also commented that childcare providers prefer to work with higher-income families, and that a lack of transportation can make it difficult to send their kids to childcare.

Community answers, "Issues affecting access to childcare for Income Assistance clients." (83 responses)



Community proposals for Income Assistance

We asked community members two questions about how we can improve Income Assistance:

What incentives could we make to encourage people to apply for and accept jobs? And what changes would you like to see to improve Income Assistance?

We received 275 responses to these questions and grouped the answers into three categories:

- Changes to make sure that Income Assistance covers basic needs (103 answers) – changes to benefit levels and how payments are made to individuals.
- Changes to encourage clients to take steps towards self-reliance (53 answers) – changes to make paid work more financially attractive and to encourage people to be more active in looking for work.
- Changes to strengthen the programs and services available to clients (112 answers) – changes to improve the support clients receive from frontline staff, and the types of training programs to help people move towards self-reliance.

Changes to make sure that Income Assistance covers basic needs

Of all 275 proposed changes to Income Assistance, 103 (38%) were about improving Income Assistance benefits. The most common proposed changes were to:

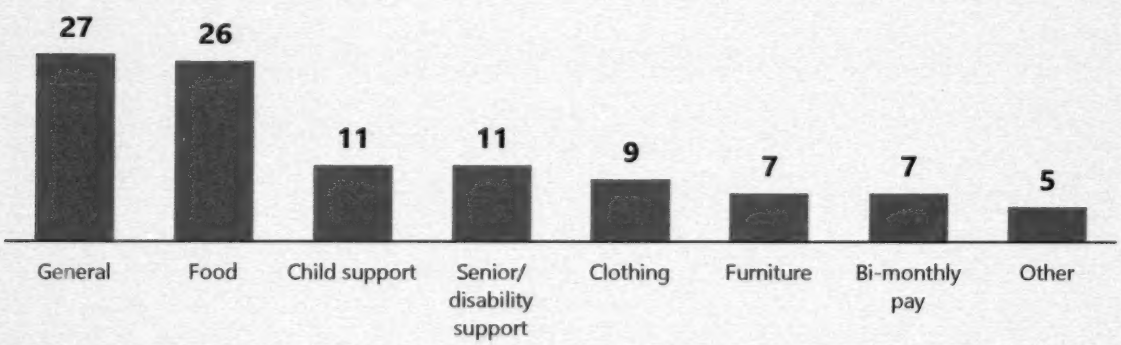
Increase basic benefits – 62 of the 103 answers were about increasing benefits in general, the food allowance, or clothing. Many Nunavummiut who proposed increasing benefits also said that benefits should be tied to changes in the cost of living.

"People should be able to have some basic level of savings and still qualify for Income Assistance." - Igloolik

Improve extended benefits – Smaller numbers of community members also proposed changes to other benefits for specific items or circumstances, including furniture, child support, and the incidental benefit for seniors and persons with disabilities.

Bi-monthly Income Assistance – Lastly, we heard from community members who proposed expanding the use of bi-monthly payments for families who have difficulty managing money.

Community answers, "Changes to make sure that Income Assistance covers basic needs." (103 responses)



Changes to encourage clients to take steps towards self-reliance

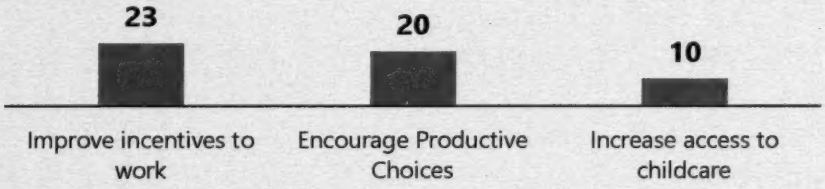
Nunavummiut also proposed a number of ideas to encourage more Income Assistance clients to search for work and take jobs:

Improve incentives to work – 23 proposals were about making work more financially attractive. These included letting clients keep more income from work, and adjusting the Public Housing rent scale to lower or slow the rent increase when people take jobs.

Encourage Productive Choices – Increasing the responsibilities of Income Assistance clients in exchange for benefits (for example, by more participation in Productive Choices) was the second most reported proposed change, coming up 20 times.

Increase access to childcare – Lastly, we received 10 answers about increasing childcare spaces so clients can leave home for work or training (see page 25 for more about childcare).

Community answers "Changes to encourage self-reliance." (53 responses)



"Encourage clients to contribute in any way: shovel, volunteer, clean up community, get water for elders, etc." – Baker Lake

Changes to strengthen the programs and services available to clients

Nunavummiut provided us with over 100 ideas to improve services for Income Assistance clients:

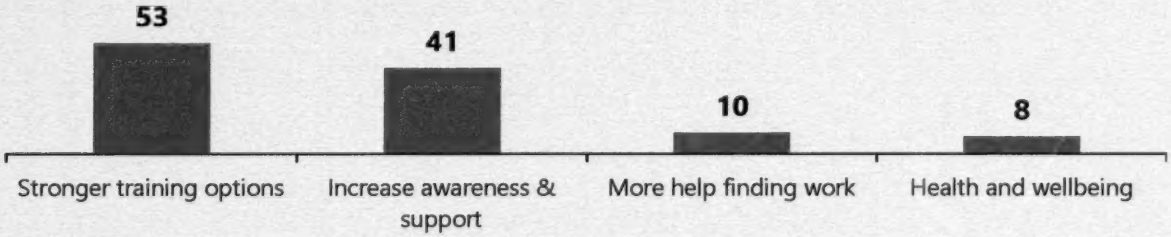
Stronger training options – More training options (for example, hunting mentors, on-the-job training, and life skills) was the most common proposed change, coming up 53 times.

Increased awareness and client support – Nunavummiut also proposed changes to better advertise community programs, and for staff to provide more help to Income Assistance clients.

"The Government should be less program-oriented and more service oriented. Services should be geared towards helping people instead just being available, so 'go get it." – Taloyoak

We also received 10 proposals to increase support for clients looking for jobs, including 'job boards' and drop-in centres for job searching. Several members also proposed changes to improve connections to health services, particularly support for addictions and mental health.

Community answers, "Changes to strengthen programs and services." (112 responses)



Issues in focus: Supporting youth transition from school

With nearly half of Nunavummiut under 25 years old, many Nunavummiut are concerned that too many young people are not finishing their education and entering the workforce; and instead are coming to rely on Income Assistance. We asked communities how we can work with youth better to help begin their adult lives:

"How can we (the Government of Nunavut and communities) encourage our youth to complete high school and take advantage of education, training and work readiness opportunities instead of applying for Income Assistance?"

We received 148 answers to this question. The most common answers were to:

Strengthen training options for youth – 56 responses (38%) were to provide more or better education and training options for youth. Within this category, expanding life skills programs (including budgeting, parenting, cooking, and sexual education); and job training, with a focus on work experience opportunities and on-the-job training, were most common.

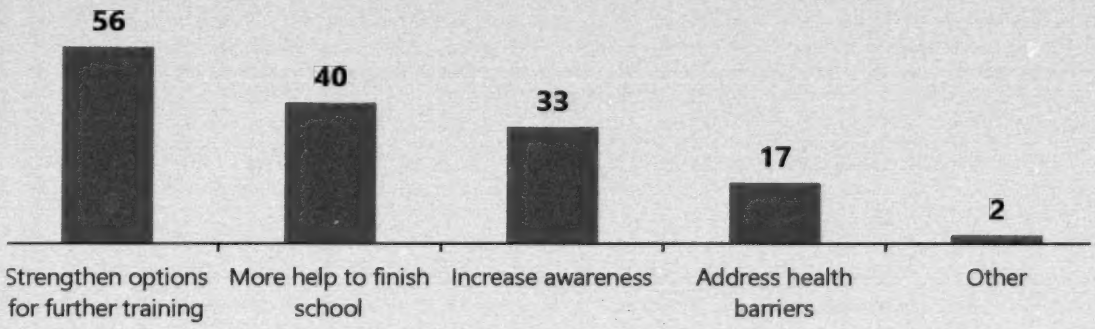
"When I was in high school, we had a course called "Work experience." During that period, we would go to a work place in the afternoon and work/learn for free. I learned a lot and it made me want to finish high school and go to college to further my education." – Kimmirut

More help/support to finish school – 40 answers (27%) were about helping students finish high school. Common ideas included providing incentives for attendance (e.g., laptop for attendance); and more targeted counseling and support for youth struggling in school).

Increase youth awareness about their career options – 33 responses (22%) were about doing more to inform youth about the programs and funding available to them, for example through guest speakers, mentors and career counseling.

Address youth health needs – Lastly, 17 Nunavummiut (11%) noted that many students do not succeed because of poor health, especially mental health and food insecurity, and suggested that more needs to be done to address these underlying issues to help them succeed.

Community answers, "Improving support for youth." (148 responses)



Community visions for local economic development

Community members were asked to envision what their communities will look like in the future:

What would you like your community to be like in 20 years?

We received 188 answers to this question.

Overall, Nunavummiut shared visions of growing local economies that are driven by the skills and potential of community members. Nunavummiut saw their communities as being vibrant places to live and grow, where people work together to solve public issues and where people of all ages are actively engaged in public life.

Skilled, resilient communities – 70 Nunavummiut mentioned more skilled, self-reliant communities. Common answers included more self-reliant people and families (25), more youth succeeding (20), stronger training options (15), and more supports to help people find jobs (10).

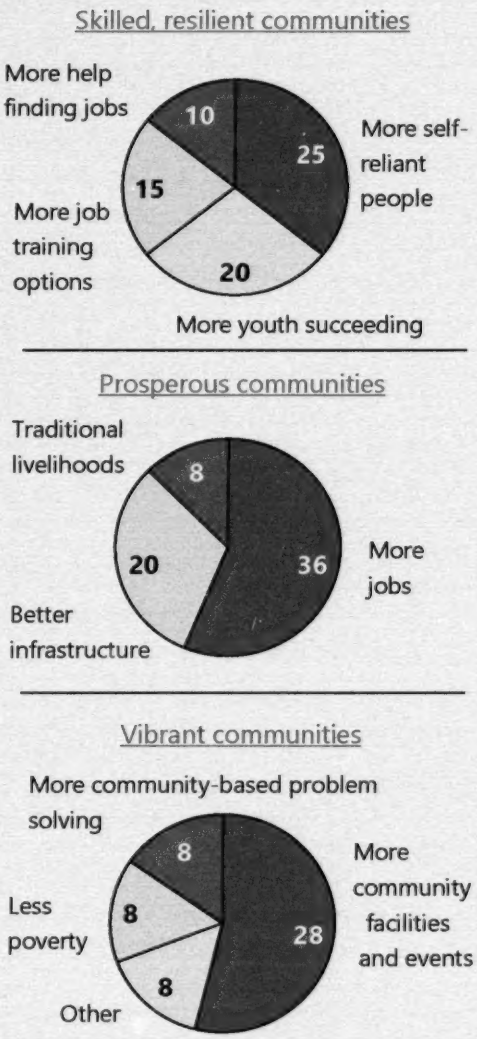
"In 20 years, I would like to see more graduates, more jobs, lower food prices, and more community activities, like a fitness room and swimming pool." – Sanikiliuaq

Prosperous communities – 64 Nunavummiut mentioned more local economic growth in the future. Community members spoke of sustainable, local economies with good jobs (36), infrastructure to support economic development (20), and more Nunavummiut engaged in livelihood-based activities (8).

Vibrant communities – Lastly, 52 Nunavummiut pictured their communities as more vibrant places to live and grow. Community members spoke of community facilities and events to showcase local art and culture (28), a more collaborative government that works together to solve local issues (8), and less poverty overall (8).

"Stronger relationships between government, non-government and all work places!" – Gjoa Haven

Community answers, "Visions for the future." (188 responses)



Current community economic strengths

Secondly, we asked Nunavummiut to describe the economic strengths of their communities now:

What are the current economic strengths of your community?

We received 91 responses to this question. Nunavummiut described a range of economic strengths of their communities. The most common were:

Growing economies – 29 Nunavummiut spoke of potential or growing industries in their communities. The most common industries and business sectors that were mentioned were mining, transportation, fishing, small businesses in general, and seasonal work.

"We need to keep up with local economic development. Our youth need to move forward and take advantage of funding and training that are available to them." – Naujaat

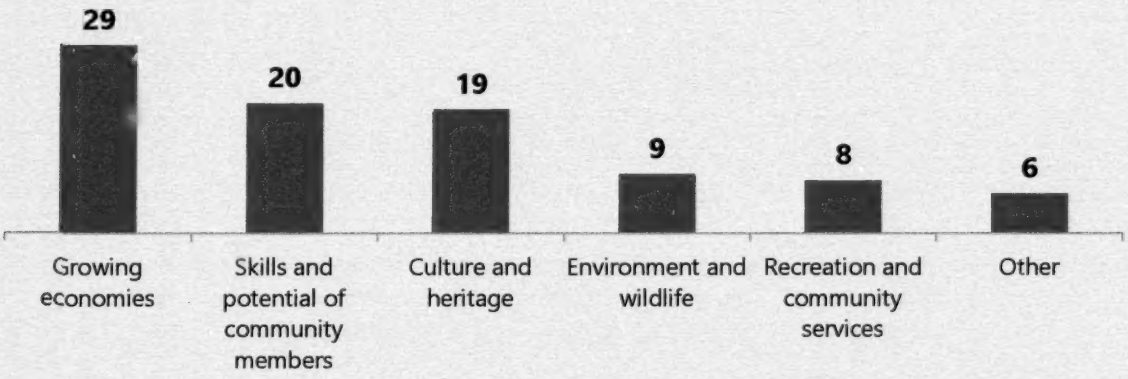
Skills and potential of community members – 20 Nunavummiut described the abilities and potential of their community members to contribute to the local economy, either through developing new skills or by putting their existing skills and experiences to work.

Culture and heritage – 19 Nunavummiut mentioned their community's history, traditional skills and knowledge, language, or cultural activities.

"Youth are a strength."
"Good fishermen – but we need nets!"
"Strong sense of community."
"Friendly people. We welcome all."
"Throat singing!"
"Drum dances and square dances!"
"Possibly Transportation, eco-tourism."
"Lots of animals and fish."
"Partnerships with private companies."
"Bingo!"

In addition, several Nunavummiut mentioned their local environment and wildlife as a resource, for example, through eco-tourism. Several Nunavummiut also spoke of their recreational and community services as assets that make the community a great place to live.

Community answers, "Current community economic strengths." (91 responses)



Community proposals for economic development

Finally, we asked Nunavummiut about how we can build on the economic strengths of communities to generate more local economic opportunity. We asked the following questions:

How can we create more jobs for people in your community? And are there other economic opportunities you would like to see in your community?

We received 262 answers to these questions and grouped them into three categories:

- Changes to increase support for job creation and industry growth (120 answers) – proposals about job creation, infrastructure, and industry promotion.
- Changes to strengthen community programs and services (78 answers) – proposals about community spaces, supports for traditional livelihoods and activities, and community governance and problem solving.
- Changes to improve training options for jobseekers and entrepreneurs (54 answers) – proposals to improve the types of training available for jobseekers and entrepreneurs.[1]

Changes to increase support for job creation and industry growth

Nunavummiut made 120 suggestions about how to better support local economic growth:

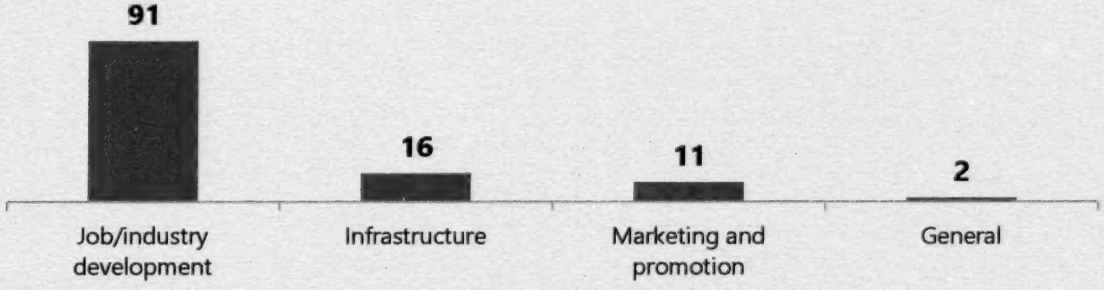
Job creation and industry development – 91 of these proposals were about targeting government support to specific industries/sectors. Support for small businesses and entrepreneurs was the most common industry/sector (31), for example, by creating community spaces for carving and woodworking. Other common industries included transportation, fishing/harvesting, and the service-sector (e.g., tourism).

"Purchase a community fishing boat and nets!" – Gjoa Haven

Infrastructure and industry promotion – 16 Nunavummiut suggested that more or better infrastructure is needed (e.g., housing, harbour development); another 11 Nunavummiut proposed ideas to strengthen the marketing and promotion of local goods.

"A Taloyoak Tourism website!" – Taloyoak

Community answers, "Changes to increase support for job creation and industry growth." (120 responses)



[1] 10 answers in "Other" category

Changes to strengthen community programs and services

We also received 78 proposals related to improve how government works and the types of community programs available. These included:

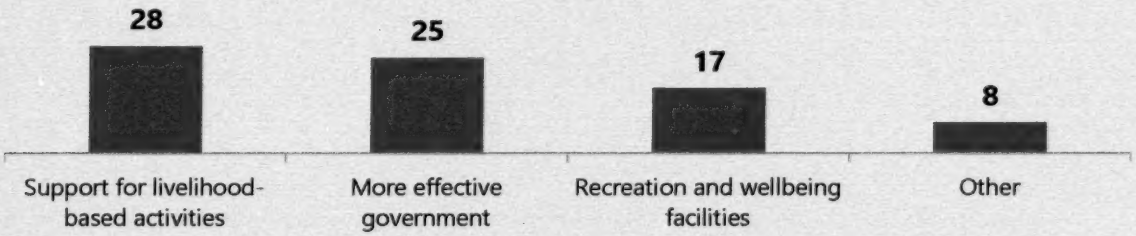
Support for traditional livelihoods – 28 Nunavummiut proposed increasing support for traditional livelihoods and activities. Examples include hunting/harvesting mentorship and skills programs, sewing and art classes, and programs where elders share their knowledge and skills with community members.

More effective government – We also heard from 25 community members with ideas to improve how their government works. Ideas proposed included increasing awareness about community economic development programs, more community-based problem solving, and stronger relationships between governments and the community.

"Form a community body for the less fortunate to order a bulk of food through sealift with payment plans." – Iqaluit

Lastly, we received 17 proposals to improve recreational and wellbeing facilities; for example, by building a swimming pool, or mental health and addictions services.

Community answers, "Changes to strengthen community programs and services." (78 responses)



Changes to improve training options for jobseekers and entrepreneurs

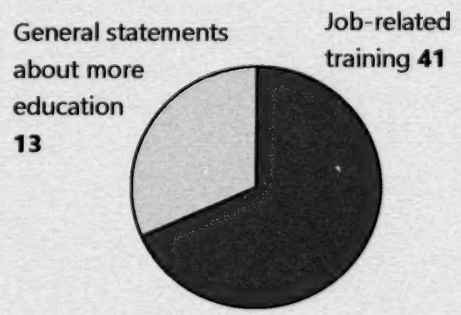
Lastly, we heard from 54 Nunavummiut about how to strengthen our training programs to support economic development:

Technical training – The majority (41) of the 54 proposals were about providing more or better job training. The two most common types of training mentioned were:

- Technical training related to in-demand jobs in the community; and
- Training for small business owners and entrepreneurs, such as bookkeeping.

"I would like to see more training on the job. Unemployed people should be the first priority." – Rankin Inlet

Community answers, "Changes to improve training options for jobseekers and entrepreneurs." (54 responses)



Appendix A: Glossary of Terms

Benefit calculations: Income Assistance clients can keep some of their income from work or training before their Income Assistance benefits are reduced:

- Earned income exemption: A policy that allows clients who earn money to keep a portion of their income without it affecting their monthly benefits. Clients can earn $200 (or $400) per month. Earned income above this threshold reduces the individual's monthly benefit payment.
- Training allowance exemption: A policy that allows Income Assistance clients who receive a training stipend or course allowance to keep a portion of the stipend without it affecting their monthly benefits. When calculating an individual's Income Assistance, up to $200 of any training allowance received will not be counted as income when determining their monthly payment.

Career Development Officer (CDO): Community staff that support Nunavummiut with their career goals. CDOs provide help with job search, work with clients to upgrade their resumes and get ready for interviews, and connect clients with employment and training opportunities.

Community Economic Development Officer (CEDO): Community staff that help individuals and organizations with their business planning and development. CEDOs help individuals and groups develop funding proposals, promote local opportunities in the traditional and informal economy, and provide leadership and advice in community-based planning.

Income Assistance allowances: Under the Nunavut Income Assistance program, there are multiple types of allowances that applicants can receive each month. These include:

- Basic allowances: money for food and clothing, rent and utilities; and
- Extended allowances: money to cover costs of specific items, including furniture, a damage/security deposit, expenses for seniors (60+) or persons with disabilities, education expenses and tuition, and emergency assistance.

Income Assistance Worker (IAW): Community staff that administer the Income Assistance programs. IAWs help Nunavummiut apply for programs, and assess applicant and client monthly income to determine their eligibility for Income Assistance. IAWs also work with clients to choose a Productive Choice for those who are required to have one.

Liquid asset exemption: A policy in other jurisdictions that allows applicants of Income Assistance to have some savings (liquid assets) without it affecting their eligibility for Income Assistance. For example, if the liquid asset exemption is $1,000, then a client can have up to $1,000 in savings and still be eligible for monthly assistance.

Nunavut Roundtable for Poverty Reduction: The Roundtable brings together Nunavummiut who share a common vision for a Nunavut free of poverty. Supported by the Government of Nunavut and Nunavut Tunngavik Inc, the Roundtable plays an important role in the territory's poverty reduction efforts, including holding Gatherings to explore issues around poverty in Nunavut, and developing Nunavut's Poverty Reduction Action Plan, *Makimaniq II*.

Proof of disability: To qualify for the Income Assistance incidental allowance, applicants must submit a signed document from a medical professional confirming that he/she has a disability that will persist for at least 12 months and prevents him/her from working.

Productive Choice: All Income Assistance clients, except for those 60 or over or that have a disability, must enrol in a Productive Choice in exchange for Income Assistance. Clients can choose from a range of options, including upgrading, employment, harvesting, community work, parenting or family support, counselling, addictions services, medical assistance, and community justice.

Appendix B: Income Assistance & Economic Development programs

Table 1: Summary of Income Assistance by community, 2015[2]

Community	Income Assistance recipients				Population (2014)	% of population that received Income Assistance	Total payments	Average payment per family
	Heads of Household	Spouses	Dependents	Total				
Arctic Bay	217	62	235	514	875	59%	$1,281,858	$5,907
Arviat	510	93	491	1,094	2,611	42%	$2,463,240	$5,276
Baker Lake	267	78	260	605	2,164	28%	$1,646,162	$5,864
Cambridge Bay	222	46	190	458	1,688	27%	$959,240	$5,102
Cape Dorset	418	110	371	899	1,508	60%	$2,205,451	$5,718
Chesterfield Inlet	54	8	45	107	387	28%	$207,242	$5,767
Clyde River	303	89	276	668	1,039	64%	$1,776,882	$5,012
Coral Harbour	186	48	154	388	961	40%	$1,000,969	$4,959
Gjoa Haven	419	151	457	1,027	1,379	74%	$2,451,190	$4,567
Grise Fiord	23	2	13	38	163	23%	$117,336	$4,792
Hall Beach	199	54	152	405	895	45%	$1,137,937	$4,717
Igloolik	435	141	546	1,122	2,007	56%	$2,508,761	$2,136
Iqaluit	705	73	377	1,155	7,547	15%	$3,533,543	$4,830
Kimmirut	117	26	93	236	481	49%	$580,175	$6,165
Kugaaruk	233	81	249	563	956	59%	$2,063,777	$3,838
Kugluktuk	373	80	317	770	1,595	48%	$1,753,683	$5,382
Pangnirtung	317	83	303	703	1,613	44%	$1,447,651	$4,282
Pond Inlet	329	94	318	741	1,673	44%	$1,576,638	$5,973
Qikiqtarjuaq	170	50	108	328	526	62%	$801,954	$5,223
Resolute Bay	20	3	12	35	247	14%	$42,723	$4,174
Rankin Inlet	238	53	225	516	2,820	18%	$1,019,130	$4,321
Naujaat	199	80	299	578	1,068	54%	$1,188,638	$5,850
Sanikiluaq	276	64	266	606	924	66%	$1,441,476	$4,702
Taloyoak	306	80	308	694	1,002	69%	$2,015,165	$8,857
Whale Cove	72	17	89	178	456	39%	$300,518	$6,586
Total Nunavut	**6,608**	**1666**	**6,154**	**14,428**	**36,585**	**39%**	**$35,521,340**	**$5,376**

[2] Note: Income Assistance payment data is for fiscal year 2015/16. Client data is for calendar year 2015.

Table 1: Core features of Nunavut Income Assistance programs, Fiscal Year 2016/17

1. Income Assistance Program Budget: $44.7M Clients: ~14,000	**Objective:** The Income Assistance program has two primary objectives: To provide financial and other support to meet basic needs (shelter, food and clothing) for those unable to work for various reasons; and To assist clients who can work in the transition towards employment. **Eligibility:** Nunavummiut 18 or older in financial need. **How it works:** Clients apply by meeting with their Income Assistance Worker. Assessment and benefit calculation – Benefits are calculated monthly, based on a client or applicant's total income from the previous month. When a client or applicant's monthly income is less than the amount required to cover their basic needs, Income Assistance is issued. Productive Choices – Recipients able to work must undertake activities for at least 20 hours a week that are intended to support them regain independence. The Income Assistance Worker and client develop a Productive Choices plan together that lays out activities the client will participate in. Treatment of earned income – Clients who work are able to keep some of their earned income, including the first $200 (single) or $400 (family). Once a client reaches the threshold, monthly benefits are reduced by 100% for every extra dollar of earned income over the $200/$400 threshold.
2. Nunavut Child Benefit Budget: $2.2M Clients: ~2,600	**Objective:** To help prevent child poverty and cover child-related expenses. **Eligibility:** Parents who are receiving the Canada Child Tax Benefit (CCTB). **How it works:** Eligible parents are automatically enrolled for the NCB if they receive the CCTB. Parents receive: Up to $275 per year for first child; Up to $75 per year for the second child. The NCB is paid monthly and administered by the Federal Government.
3. Daycare Subsidy Budget: $502K Clients: ~80-100	**Objective:** To help offset cost of childcare for low-income parents to enable them to participate in employment, education or training. **Eligibility:** Low-income Nunavummiut 18 or older that are employed or in training/education and have children under age 12. **How it works:** Program provides monthly financial support (up to $700 per child) to cover licensed or unlicensed care during parent study/work hours. Assistance provided depends on financial need, number of children, and type of care.
4. Senior Citizen Supplementary Benefit Budget: $1.4M Clients: ~500	**Objective:** To supplement incomes of low-income seniors. **Eligibility:** Seniors (60+) who are receiving the Guaranteed Income Supplement (GIS) or Spouse's Allowance (SA). **How it works:** Eligible seniors are automatically enrolled for the SCSB when they file their taxes. Seniors receive $200 monthly as part of a combined payment administered by the Federal Government that includes GIS and SA.
5. Senior Fuel Subsidy Budget: $478K Clients: ~125-150	**Objective:** To help offset high cost of household heating fuel. **Eligibility:** Homeowners (60+) not receiving Income Assistance. **How it works:** Program reimburses recipients for the cost of heating fuel. 100% subsidy for up to 3,500 litres/year if net annual income is less than $75,000; 50% subsidy for up to 3,500 litres/year if net annual income is between $75,001 and $100,000; Not eligible if net annual income is greater than $100,000.

Overview of relevant Economic Development programs

Economic Development programs refers to the programs delivered by the Department of Economic Development and Transportation (EDT) that provide financial assistance to individuals, businesses, not-for-profit organizations and municipalities to further economic development and help create jobs.

Table 2: Overview of relevant EDT Economic Development programs

1. Strategic Investments Program Budget: $3.9M	**Objective:** Offers assistance to Nunavut businesses, municipal governments, not-for-profits, and societies. Medium and large businesses may be eligible for contribution funding to assist with expansion or start-up costs. Community governments, not-for-profits, and societies may receive funding for training, marketing and community development initiatives.
2. Community Capacity Building Program Budget: $4.5M	**Objective:** Provides a contribution to every Nunavut municipality to allow each to employ a qualified economic development officer. The program also supports community economic development projects and the creation and implementation of community economic development plans.
3. Small Business Support Program Budget: $0.8M	**Objective:** Provides contributions to community-based businesses and organizations to develop business opportunities, foster entrepreneurial skills and provide business aftercare services.
4. Country Food Distribution Program Budget: $1.6M	**Objective:** Supports innovation in food storage technology, the construction of facilities for storage and distribution of traditional food, community markets, training, upgrades to existing food storage facilities to permit basic food processing, and the distribution of country food within the community by place-based organizations.
5. Arts Development Program Budget: $0.4M	**Objective:** Supports the development of the arts & crafts in Nunavut through the implementation of Sanaugait: A Strategy for Growth in Nunavut's Arts and Crafts Sector and the carving stone supply action plan.
6. Community Tourism & Cultural Industries Program Budget: $1.6M	**Objective:** Strengthens community infrastructure and readiness for tourism and enhances economic development in the creative sectors such as music, digital media, writing and performing arts.
7. Nunavut Prospector's Program Budget: $0.15M	**Objective:** Provides contributions to Nunavut residents holding a valid prospecting licence who require financial assistance to carry out prospecting activities.
8. Community Transportation Initiatives Budget: $1.5M	**Objective:** Supports communities to develop local transportation facilities and infrastructure to connect communities to each other, natural resource development opportunities and traditional livelihood activities.
9. Northern Aviation Scholarships Budget: $0.03M	**Objective:** Provides scholarships to students from Nunavut who are pursuing full-time studies leading to a northern aviation career.

EDT also provides funding to various non-governmental organizations that support economic development and/or economic infrastructure, including the Nunavut Economic Development Association, Nunavut Arts and Crafts Association, and Nunavut Tourism, among others.